GOVERNMENT OF INDIA
COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1495
ANSWERED ON:16.07.2004
ACCOUNTING SYSTEM
Panda Shri Prabodh

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the Government proposes to review the existing accounting system of the Government to bring transparency;

(b) if so, the details thereof;

(c) whether the Government has decided to replace the present method of cash-based system of accounting with the double-entry accrual system of accounting to usher a more transparent and authentic methods of accounting; and

(d) if so, the details thereof?

Answer

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA)

(a) and (b): It is the objective of the Government to ensure transparency in its accounting system. The monthly and annual accounts of the Government of India are being placed in the public domain. The Fiscal Responsibility and Budget Management Act, 2003 and Rules framed thereunder also provide for measures to be taken for ensuring greater transparency in fiscal operations. The Act and the Rules have come into effect from July 5, 2004.

(c) : No, Sir.

(d): Does not arise.